

1 OCTOBER 2015

MERCER GROWTH FUND

PRODUCT DISCLOSURE STATEMENT

ARSN: 111 236 698

APIR: MIN0013AU

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HOW TO CONTACT US

Mercer Investments (Australia) Limited
GPO Box 9946
Melbourne VIC 3001
Telephone: 1300 728 928
mercer.com.au/mmf

STAYING UP TO DATE

Information in this PDS may change from time to time. We will notify direct investors of significant changes that affect the information in this PDS.

Updated information will be made available on the mercer.com.au/mmf website. You can also request a copy by calling us on 1300 728 928 and a paper copy of the updated information will be provided free of charge on request.

Indirect investors should refer to the disclosure document for their Service for information about staying up to date.

ABOUT THIS STATEMENT

This statement is called a Product Disclosure Statement ('PDS') and it provides a summary of significant information about the Mercer Growth Fund ('the Fund'). The Fund is a registered managed investment scheme under the Corporations Act 2001 (Cth). It is one of the Mercer Multi-Manager Funds, a series of single sector and diversified unit trusts.

The PDS also contains references to important information in the Mercer Multi-Manager Funds Additional Information Booklet ('Booklet'), which forms part of this PDS. Both documents are available at mercer.com.au/mmf or you can request copies free of charge by calling 1300 728 928.

The PDS (including the Booklet) should be read carefully before making an investment decision. The information contained in these documents is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

The Responsible Entity, Mercer Investments (Australia) Limited (ABN 66 008 612 397, AFSL 244 385), is the issuer of this PDS and is referred to as the 'Responsible Entity', 'we', 'us' or 'our' throughout this PDS.

Key terms are shown like this when they are first used and are defined in the Glossary of the Booklet.

CAN I INVEST IN THIS FUND?

You can invest in this Fund if you have received either an electronic or a hard copy of this PDS in Australia. You can apply to invest in the Fund if you are a:

- Direct investor by using the Mercer Multi-Manager Funds Application Form available via mercer.com.au/mmf.
- Indirect investor accessing the Fund through a Service, such as an Investor Directed Portfolio Service (IDPS) or IDPS-Like scheme.

See Section 2, page 2, for details regarding investors' interests in the Fund and minimum amounts to invest. There is typically a minimum investment amount of \$100,000 for direct investors. Indirect investors should refer to the offer document applicable to their Service.

We must verify the identity of investors and are not bound to accept an application to invest.

1. ABOUT MERCER INVESTMENTS (AUSTRALIA) LIMITED

The Responsible Entity, Mercer Investments (Australia) Limited, is responsible for:

- The operation of the Fund in accordance with the Fund's Constitution and the law.
- The proper investment of Fund assets.
- Ensuring investors' rights and interest are protected.

The Responsible Entity is a wholly owned subsidiary of Mercer (Australia) Pty Ltd, which is part of the Mercer group of companies ('Mercer').

Mercer operates an investment management business and is part of Marsh & McLennan Companies – a global group of professional services companies offering advice and solutions in the areas of risk, strategy and human capital. After more than 40 years in the investments business, Mercer manages more than US\$135 billion in assets worldwide, and offers a comprehensive menu of investment tools, advice and solutions to help investors navigate complex capital markets.

The Responsible Entity relies on Mercer's investment expertise in selecting and appointing investment managers to invest Fund assets. Contact us on 1300 728 928 or visit mercer.com.au/mmf for more information on the underlying investment managers.

2. HOW THE MERCER GROWTH FUND WORKS

The Fund is a managed investment scheme registered with the Australian Securities and Investments Commission ('ASIC'). The Fund was established and operates under the Constitution, as amended from time to time. The Constitution together with the Corporations Act 2001 (Cth) determine our relationship with investors in the Fund. The Fund's Constitution contains full details of the rights and obligations of investors and the Responsible Entity.

INTERESTS OF DIRECT INVESTORS

Direct investors have a beneficial interest in the Fund in which they hold units. Each unit confers an equal and undivided interest in the assets of the Fund as a whole, but not in parts or single assets of the Fund. However, investors are not entitled to interfere with, or exercise, the powers of the Responsible Entity in respect of the Fund's property, liability or obligation to lodge a caveat over the Fund's property. See the Other things you should know section of the Booklet for details of the rights and liabilities of direct investors.

INTERESTS OF INDIRECT INVESTORS

Indirect investors do not become unit holders nor do they acquire the rights of a direct investor. The Service Provider acquires those rights and can exercise, or decline to exercise them, on behalf of indirect investors. The Service Provider through whom you have accessed the Fund holds units in the Fund on your behalf.

Indirect investors do not receive income distributions or reports directly from us, nor will they be able to participate in investor meetings or winding up of the Fund. It is important to note that the Service Provider may have requirements dealing with:

- Minimum initial or additional investments.
- Minimum balances.
- Minimum withdrawals.
- Switching between the Mercer Multi-Manager Funds made available to you through the Service.

These requirements will be set out in the PDS and/or any other offer documents applicable to your Service.

KEY FEATURES INFORMATION FOR DIRECT INVESTORS

You can read about key features of the Mercer Growth Fund below.

Investment minimums*

Initial investment	\$100,000
Additional investment	\$5,000
Withdrawal	\$5,000
Balance	\$5,000

* We may waive or vary the investment minimums.

Unit prices

The value of interests in the Fund are divided into units of equal value. The unit price will vary as the market value of assets in the Fund rise or fall. Each time a payment is made into the Fund, units are issued at the issue price. Similarly, when payments are made from the Fund, units are redeemed at the withdrawal price.

The unit price is calculated on a daily basis by the Responsible Entity although we may calculate prices more frequently when we consider it to be appropriate.

See Units and unit pricing in the Other things you should know section of the Booklet.

How to invest

After reading this PDS (including the Booklet), to invest in the Fund you need to send us:

- Your completed and signed Application Form.
- Any required and correctly endorsed identification documents.
- Your payment, via cheque or electronic transfer.

For further details, see How to apply on page 8.

Making additional investments

Direct investors can make additional investments in the Fund by sending us a cheque or making an electronic transfer together with a completed Additional Investment Form, which is available at mercerc.com.au/mmf.

Withdrawing your money

Direct investors need to complete and send us an authorised Withdrawal Request Form (available at mercerc.com.au/mmf). Generally withdrawals will be credited to your bank account within 10 business days. However, we may suspend the withdrawal of units from the Fund in certain circumstances, which means it may take longer than 10 business days. Refer to Units and unit pricing in the Other things you should know section of the Booklet for more information.

Investing in another Mercer Multi-Manager Fund

A request to withdraw from one Mercer Multi-Manager Fund to invest in another Mercer Multi-Manager Fund is available via a withdrawal and subsequent application. Any transfer of investments between Mercer Multi-Manager Funds will be made in accordance with the terms of the then current PDS for the fund(s) that you are investing into, which you should obtain and read. The current PDS(s), Withdrawal form and Application form are available by calling us on 1300 728 928 or visiting mercerc.com.au/mmf.

Distributions

The distribution period for the Fund is the period ending the last day of December and June each year.

We will determine the income after tax (which may be positive or negative) of the Fund for each distribution period. Distributions may include income such as interest, dividends and realised capital gains.

You may elect to have distributions deposited directly to a nominated bank account, or they will be reinvested as additional units in the Fund (this is the default).

See Distributions in the Other things you should know section of the Booklet for further information.

Reporting

Direct investors will receive the following reports.

Annual	<ul style="list-style-type: none">• An annual financial report, director's report and auditor's report will be sent to you after the end of each financial year.• An annual tax statement.• A periodic statement, which is a financial year transaction statement that also contains a summary of fees and costs paid.
Quarterly	<ul style="list-style-type: none">• A quarterly investment report.
Monthly	<ul style="list-style-type: none">• A monthly statement confirming the value of investments.• A monthly investment report.
Confirmation	<ul style="list-style-type: none">• A transaction statement will be sent to you each time you transact.• A distribution statement will be sent each time a distribution is made.

You should read the Other things you should know section of the Booklet (available at mercerc.com.au/mmf) for further information regarding the operation of the Fund before making a decision. The material relating to how the Fund operates may change between the time when you read this PDS and when you acquire the product.

3. BENEFITS OF INVESTING IN THE MERCER GROWTH FUND

Our multi-manager approach involves selecting optimal combinations of investment managers to achieve exposure to a range of investment management styles. We aim to maximise the 'value add' potential of the Fund to produce consistent performance throughout market cycles. See Investment objectives and strategy in the Booklet for further details.

The Fund brings together Mercer's investment beliefs, best ideas and global research to provide investors with access to:

- Diversification – The Fund has a diversified, multi-manager investment approach with approximately 73% in growth assets and 27% in defensive assets. The Fund is highly diversified and can be combined with other Mercer Multi-Manager Funds, or other investments, to create a tailored portfolio. Diversification can smooth out market volatility and may help protect investments from loss.
- Active management – Through utilisation of Mercer's in-depth local and global research, we select high quality investment managers to invest assets in each asset class or sector. More than one manager may be appointed in an asset class to provide diversification. The underlying investment manager panels may be configured to achieve exposure to a range of investment management styles, with the overall objective of producing consistent performance throughout market cycles.

- Dynamic asset allocation – We regularly review the Fund’s asset allocation to look for opportunities that offer lower risk and/or higher return potential, considering valuations, macroeconomic developments and market sentiment. Any changes are made within the minimum and maximum ranges for each asset class, as shown in Section 5 – How we invest your money on page 5 of this PDS. Assets within the Fund that have an exposure to foreign currencies may be fully or partially hedged, or unhedged. We may actively manage the hedged and unhedged currency exposure of the Fund.
- Operational efficiency – We aim to ensure you get the most value out of your investment by minimising unnecessary costs and avoiding unrewarded risks.
- Sustainability – We build sustainability principles into the Fund to help protect and enhance the value of your investment. Environmental, social and governance (ESG) considerations, principles of sustainable investment and good corporate governance are incorporated throughout our investment decision making and ownership practices. See the Sustainable investing and ESG considerations section of the Booklet for more information regarding the Mercer Funds Sustainable Investment Policy and Mercer Funds Corporate Governance Policy, which we have regard to in building sustainability principles into the Fund.

For more information on our investment beliefs see: mercer.com.au/services/investments/investment-beliefs.html.

You should read the How we invest section of the Booklet for further information before making a decision. The material relating to how we invest may change between the time when you read this PDS and when you acquire the product.

4. RISKS OF MANAGED INVESTMENT SCHEMES

All investments carry risk. Generally, investment risk is the likelihood that an investment outcome is different to what was expected. When considering the risks associated with the Fund, it is important to understand:

- Investments in the Fund could rise or fall in value, or produce a return that is less than anticipated. Rises and falls in value occur for a variety of reasons, sometimes quickly. Assets with higher expected long term returns, such as shares and property, generally carry a higher level of short term risk and volatility.
- The value of investments and level of returns will vary over time. You should not rely on past performance as an indicator of future performance or treat the investment objective as a forecast or guarantee of future returns.

- Different strategies may carry different levels of risk, depending on the assets that make up the strategy.
- Your investment in the Fund is not guaranteed and, as such, you may get back less money than you invest.
- The laws affecting investment in the Fund are complex and may change in the future.
- The risk appetite for each investor is likely to vary depending on factors such as their age, investment timeframe, tolerance to risk, and the other assets and investments they hold. We strongly recommend you speak to a licensed or appropriately authorised financial professional before making an investment decision.
- The likelihood of a certain type of investment risk applying to the Fund can change over time. However, investors will be kept informed of any significant changes to the Fund.

SIGNIFICANT RISKS FOR THE FUND

The significant risks that may impact the Fund include:

- Currency risk – The risk that overseas investments gain or lose value as a result of a falling or rising Australian dollar. The Fund invests in assets that are denominated in foreign currencies and are unhedged, which means you are exposed to currency movements. Currency markets can be extremely volatile and affected by a broad range of factors.
- Market risk – The risk of major movements within a particular financial market or asset class. Investment returns are influenced by the performance of the markets the Fund has exposure to. The risk that a major financial market crash will cause a decline in the market as a whole is an example of market risk.
- Timing risk – This risk relates to the volatility of asset prices and includes the risk that: at the date of investment, money is invested at higher market prices than those available soon thereafter; and at the date of withdrawal, investments are redeemed at lower market prices than those that were recently available or that may have been available soon thereafter.

You should read the Key risks section of the Booklet (available at mercer.com.au/mmf) for further information about other possible risks associated with an investment in the Fund and before making a decision. The material relating to risks may change between the time when you read this PDS and when you acquire the product.

5. HOW WE INVEST YOUR MONEY

WARNING:

You should consider the likely investment return, risk and investment timeframe when making an investment decision.

Mercer Growth Fund

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Investment strategy

The Fund invests in a mix of investments using a multi-manager approach.

Suitability

This Fund may be suitable for you if you:

- Want to invest in a diverse mix of investments, with an orientation to growth assets.
- Plan to invest for five years or more.
- Are comfortable with the risks described in Section 4 of this PDS.

Benchmark

Consumer Price Index (CPI)

Objective

To achieve a return (before management costs) that exceeds CPI increases by at least 4.0% per annum over rolling five year periods.

Minimum suggested investment timeframe

At least five years

Commencement date

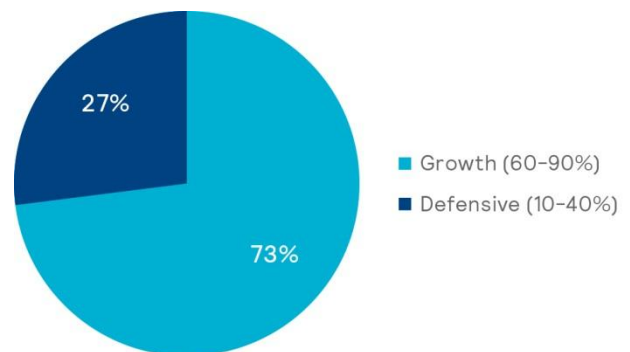
30 November 2004

Environmental, social and governance criteria

Environmental, social (including labour standards) and governance (ESG) considerations, principles of sustainable investment and good corporate governance are incorporated throughout the Fund's investment decision making and ownership practices.

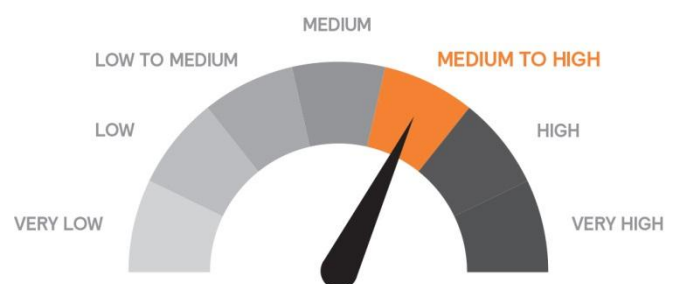
See the Sustainable investing and ESG considerations section of the Booklet for more information.

Asset allocation



Asset classes	Neutral %	Min %	Max %
Australian shares	27	15	45
International shares	28	15	45
Property and infrastructure	13	5	30
Alternative assets	6	0	15
Higher yielding fixed interest	5	0	15
Defensive fixed interest and cash	21	10	40

Risk label*



*See Standard risk measure and risk label in the Booklet for an explanation of the risk label.

We may change the investment managers and/or underlying investment funds from time to time.

You should read the How we invest section of the Booklet before making an investment decision. The Booklet is available at mercero.com.au/mmf. The material relating to how we invest may change between the time you read this PDS and the day when you acquire this product.

6. FEES AND COSTS

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better investor services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial advisor.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options.

The table below shows fees and other costs that you may be charged. These fees and costs may be deducted from your investment, from the returns on your investment or from the Fund's assets as a whole. You can use this table to compare this product against other managed investment products.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Tax information is set out in the Taxation section of the Booklet.

FEES AND COSTS

Type of fee or cost	Amount
Fees when your money moves in or out of the Fund	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	Nil
Exit/termination fee	Nil
Management costs	
The fees and costs for managing your investment	<ul style="list-style-type: none">• Estimated 1.05% per annum of your account balance. This amount comprises the:• Investment management fee of 0.93% per annum of your total investment in the Fund ¹.• Estimated performance fee of 0.06% per annum of your total investment in the Fund ².• Estimated expense allowance of 0.06% per annum of your total investment in the Fund ³.
Service fees	
Switching fee	Not applicable

¹ The investment management fee is payable to the Responsible Entity. See Investment management fee in the Booklet for more information.

² The estimated performance fee is based on the actual performance fee paid for the 12 months to 30 June 2015.

³ The estimated expense allowance is based on our estimate for the 12 months to 30 June 2016. However, this is an estimate only and the actual expense allowance paid is subject to the Fund's actual costs incurred as a portion of the total Fund assets, as explained under Expense allowance in the Booklet.

There is a risk that these fees or charges may increase from time to time, which may affect the value of your investment. Where required by law you will be provided with prior written notice of any such increases. See Material changes or significant events in the Other things you should know section of the Booklet.

WARNING:

Additional fees may be paid to a financial advisor if a financial advisor is consulted. Please refer to the Statement of Advice from your advisor, in which details of the fees are set out.

Indirect investors should refer to the offer document(s) for their Service for details of fees they will pay for investing in the Fund via their Service.

EXAMPLE OF ANNUAL FEES AND COSTS

The table below gives an example of how the fees and costs of the Mercer Growth Fund can affect your investment over a one year period.

EXAMPLE	Balance of \$100,000 with a contribution of \$5,000 during the year ²	
Contribution fees	Nil	For every \$5,000 you put in, you will be charged \$0.
PLUS Management costs	1.05% ¹	And, for every \$100,000 you have in the Fund you will be charged \$1,050 each year.
EQUALS Cost of Fund		If you had an investment of \$100,000 at the beginning of the year and you put in an additional \$5,000 during ² that year, you would be charged fees of \$1,076.25*.

* This fee may be negotiated in certain circumstances.

- ¹ Includes the investment management fee, estimated expense allowance and estimated performance fee.
- ² It has been assumed that the additional \$5,000 is invested for six months after the start of the year in the example.

TRANSACTION COSTS

Buy/sell spreads

The buy/sell spread is designed to ensure, to the extent possible, that any transaction costs incurred as a result of an investor applying to or withdrawing from the Fund are borne by that investor and not other existing investors.

A buy spread is applied at the time of making an application in the Fund and a sell spread is applied at the time of withdrawal.

Fee type	Fee
Estimated buy spread (%)	0.18
Estimated sell spread (%)	0.18

The estimated buy/sell spread is 0.18% upon entry (\$180 for each investment of \$100,000) and 0.18% upon exit (\$180 for each withdrawal of \$100,000).

The buy/sell spread may vary from time to time and we may waive or reduce the buy/sell spread at our discretion. No part of the buy/sell spread is paid to the Responsible Entity or an investment manager. The buy/sell spread is not subject to GST.

Other transaction and operational costs

Refer to the Transaction and operational costs section of the Booklet for information regarding other costs.

FEE INCREASES

The Responsible Entity has the right to increase fees to the maximums set out under Maximum fees in the Booklet at any time without the prior approval of direct investors. Reasons might include changes in economic conditions or government regulations. Direct investors will be provided with at least 30 days' prior written notice of any such increase.

You should read the Fees and costs section of the Booklet for further information before making a decision. The material relating to fees may change between the time when you read this PDS and when you acquire the product.

7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

Investing in the Fund is likely to have tax consequences. Tax consequences differ between investors and taxation laws are complex and subject to change. Therefore we strongly advise investors to seek professional tax advice.

The Fund does not generally pay income tax on behalf of investors in respect of the income generated by the Fund, on the basis that the taxable income of the Fund (including realised capital gains) is distributed to investors. There are however, some circumstances where the Fund will be required to withhold tax from the distribution of income, such as where no TFN/ABN or exemption has been provided and in the case of certain income types paid to non-resident investors. Investors will be assessed for tax on their share of any income and capital gains distributed by the Fund, and on any capital gains made on the disposal of their units in the Fund.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

The Foreign Account Tax Compliance Act (FATCA) is a set of U.S. regulations intended to prevent tax evasion through the use of offshore accounts by U.S. citizens. The Fund falls within the definition of a Foreign Financial Institution and is therefore required to comply with FATCA. See the Other things you should know section of the Booklet for more information.

TAX ADVICE

As investor circumstances differ, taxation laws can affect investors in different ways. We recommend that you seek your own professional advice on taxation matters.

You should read the Taxation section of the Booklet for further information about tax before making a decision. The Booklet is available at mercero.com.au/mmf. The material relating to tax may change between the time when you read this PDS and when you acquire the product.

8. HOW TO APPLY

Indirect investors (investing via a Service): You will need to direct your Service Provider to buy units in the Fund on your behalf, by completing the forms or documents your Service Provider requires. There may be a delay between the time you provide your direction and payment to the Service Provider and when it invests in the Fund. The Responsible Entity may, in its absolute discretion, accept or reject all or part of an application for units made on your behalf by your Service Provider.

Direct investors: You need to read the current PDS including the Booklet and complete the relevant sections of the Application Form. The Application Form needs to be sent to us. You can invest by cheque or electronic transfer. The Responsible Entity may, in its absolute discretion, accept or reject all or part of an application for units.

See the How to invest section of the Booklet for more information.

COOLING OFF PERIOD

Indirect investors: You should refer to the offer documents for your Service for details of any cooling off rights you may have in respect of your investment.

Direct investors: If you invest in the Fund and decide that the investment is not suitable, you may request in writing to cancel your investment during the 14 day cooling off period. For further details on cooling off rights, see Cooling off in the Other things you should know section of the Booklet.

IF YOU HAVE A COMPLAINT

Indirect investors: Please contact your Service Provider if you have a complaint about your investment.

Direct investors: We have a process in place for dealing with complaints. If you have a complaint you can call 1300 728 928 or write to: Mercer Investments (Australia) Limited, GPO Box 9946, Melbourne, VIC 3001.

We will acknowledge complaints within 14 days and will communicate our decision to you within 45 days. We seek to resolve any complaints to the satisfaction of all concerned and in the best interests of all the investors of the Fund. However, if you are not satisfied with the outcome you may be able to take your complaint to the Financial Ombudsman Service ('FOS'). The FOS is an external dispute resolution service that covers certain complaints by investors in registered managed investment schemes. Contact details for the FOS are contained in the Booklet.

You should also read the How to invest section of the Booklet for further information before making a decision. The Booklet is available at mercerc.com.au/mmf. The material relating to how to invest may change between the time when you read this PDS and when you acquire the product.

9. OTHER THINGS YOU SHOULD KNOW

YOUR PRIVACY

We have a Privacy Policy that describes the way we handle investors' personal information. The Privacy Policy is available to view at mercerc.com.au. If you would like us to send you a copy, please call 1300 728 928.

By investing in the Fund directly, you consent to the manner in which we collect, disclose and hold your personal information. Please refer to the Booklet and Privacy Policy for more details on how we handle your personal information.

We will not receive or hold any personal information about Indirect Investors who are investing through a Service.

INVESTMENT PERFORMANCE INFORMATION

You can obtain updated performance information for the Fund by calling 1300 728 928 or via our website at mercerc.com.au/mmf. We can send you a copy of updated performance information, free of charge, on request.

Direct investors will receive investment performance information in the monthly and quarterly investment reports.

Indirect investors should refer to the offer documents for their Service.

You should also read the Other things you should know and After you have joined sections of the Booklet for further information before making a decision. The Booklet is available at mercerc.com.au/mmf. The material may change between the time when you read this PDS and when you acquire the product.

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